

**D**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the Matter of	)	
	)	
Application by New York Telephone Company	)	
(d/b/a Bell Atlantic-New York), Bell Atlantic	)	
Communications, Inc., NYNEX Long Distance	)	CC Docket No. 99-295
Company, and Bell Atlantic Global Networks, Inc.,	)	
for Authorization to Provide In-Region,	)	
InterLATA Services in New York	)	

**DECLARATION OF KAREN A. KINARD  
ON BEHALF OF MCI WORLDCOM, INC.**

1. My name is Karen A. Kinard. I am a Senior Staff Member in MCI WorldCom's National Carrier Policy and Planning organization. I am responsible for performance measurement development for MCI WorldCom, and I was a key developer of the Local Competition Users' Group's version 7 Service Quality Measurement document released in August 1998. I have also been MCI WorldCom's lead representative in carrier-to-carrier performance measurement and remedy discussions in New York, Pennsylvania, and New Jersey. I have held various positions since joining MCI WorldCom's Local Initiatives group in June 1996, including leading a team that provided subject matter expertise during the first round of interconnection agreement negotiations.

2. Before joining MCI WorldCom, I was an Editor for 11 years at Telecommunications Reports ("TR"), covering state regulation, federal and state access charge issues, and jurisdictional cost separations policy. I also held the position of Chief Technology Editor and

other top editorial positions, including serving as the principal editor of TR's Communications Business and Finance and Cable-Telco Competition Report newsletters. I initiated TR's Communications Billing Report newsletter before joining Phillips Business International's Communications Today daily electronic newsletter in 1995 as its chief FCC correspondent. From 1976 to 1984, I served in various positions as an aide to the Congressman for the 7th District of Pennsylvania, including Press Secretary and Legislative Assistant for telecommunications policy and banking.

3. I received my Masters of Science degree in Telecommunications Policy and Management from George Washington University in 1984. I received my Bachelors of Science degree in Communications from West Chester University in 1975. I also hold a paralegal certificate in Corporate Law from Widener University.

4. The purpose of my declaration is to review the types of performance measures reported by Bell Atlantic-New York ("BA-NY") and to discuss areas in which BA-NY's reporting falls short. MCI WorldCom still hopes to resolve some of these issues in the New York Carrier-to-Carrier proceeding. One of the issues noted below, enforcement of parity in access performance following Section 271 approval, has not been addressed by the New York Public Service Commission ("NYPSC"). My testimony does not cover the specific performance data reported by BA-NY.

## **I. Overview**

5. BA-NY has come a long way since last Fall in improving both the scope and quality of its performance reporting. Some of the improvements required directives from the NYPSC to

break impasses between BA-NY and CLECs. In addition, the NYPSC staff currently is replicating measurements that BA-NY changed or had yet to implement since the first KPMG review, which found that BA-NY was not following its own metrics guidelines. This replication commitment is extremely valuable in enabling CLECs to ensure that metrics are being reported as intended both before and after any long distance entry by BA-NY.<sup>1</sup>

6. Nevertheless, MCI WorldCom has concerns with the way that BA-NY is defining and reporting various metrics, the level of some of the standards already set, and standards that are missing. The following paragraphs discuss MCI WorldCom's concerns with some of these performance metrics issues.

## **II. Pre-Order Response Time Emulation**

7. BA-NY's use of simulation for pre-order response time metrics, including system availability, is not an accurate method of reproducing CLECs' actual pre-order response times. See Joint Declaration of George S. Dowell and Julie A. Canny, BA-NY App. A, Vol. 3, att. B, at 5 (defining "PO-1 Response Time OSS Ordering Interface") (hereinafter "Dowell/Canny Decl."). Having a "robot" pull up the same two-line Customer Service Record ("CSR") over and over again is not a true emulation of the breadth of CLEC transactions. Moreover, BA-NY has not

---

<sup>1</sup> These replications are not complete audits of the data, which BA-NY has committed to participate in every six months as part of its 1998 pre-filing statement. The details of these audits still need to be worked out between the NYPSC, BA-NY, and CLECs.

provided for CLEC input in reviewing the EnView (formerly Sentinel) robot's scripts for simulating BA-NY and CLEC transactions to see if the types of transactions (e.g., size of CSRs or number of telephone numbers reserved) are being represented in the test. If the EnView robot captured a true mix of the types of queries that CLECs are submitting, the resulting intervals would be more reliable.

8. MCI WorldCom recently found that BA-NY's CSR response report was not inclusive of parsed CSRs (those that have set fields so that information can be pulled directly into orders to reduce entry errors). BA-NY now says it will emulate a parsed CSR with robots but again has not obtained MCI WorldCom's input on the script. MCI WorldCom is concerned that emulation techniques may be manipulated to measure the types of transactions that BA-NY's system performs the fastest for CLECs. Accordingly, MCI WorldCom has proposed a set standard of 95% in no more than 10 seconds as a reasonable measure of BA-NY's parsed CSR response performance. MCI WorldCom has reduced times on its end of the interface considerably for processing the new parsed CSR and hopes that BA-NY will continue to work so that this standard can be reduced closer to the speed that BA-NY experiences in bringing up full CSRs (a tenth of a second for the two line CSR script). MCI WorldCom would prefer actual measurements of pre-order queries for retail and wholesale or at least a reliable standard for the wholesale side that is based on retail performance. BA-NY claims that factors such as the size of the CSRs pulled make a difference, and MCI WorldCom is willing to agree to different standards based on the size of the CSR or the number of telephone numbers being reserved, etc. But continuing to use the robots, particularly for such new queries as Loop Qualification, is of

concern with respect to the robots' abilities to capture the typical range of CLEC queries.<sup>2</sup>

9. MCI WorldCom also is concerned that BA-NY has not provided reports on system availability for pre-order EDI. Outages have been occurring frequently, and the Commission should have a chance to determine if these outages are due to initial programming errors or if they will be a continuing problem that cannot support mass marketing demands.

---

<sup>2</sup> BA-NY also uses EnView emulation to measure system availability. See Dowell/Canny Decl. ¶ 26. The Dowell/Canny declaration implies that emulation transactions only occur between 8:00 a.m. to 5:59 p.m., but also states that prime time availability is to be measured from 6:00 a.m. until midnight and that non-primetime availability is to be monitored under a different standard. See Dowell/Canny Decl. ¶¶ 22, 27. Yet many CLECs sell in the evening until 9 p.m. Eastern Standard Time and work rejections around the clock through customer service centers in different time zones, so if the emulated pre-order transactions are being used to determine the system availability as well, pre-order emulation should be continuing throughout the day. Also, separate queries are to be used to measure maintenance response times around the clock, so EnView emulation of those transactions should run around the clock.

### III. Improperly Low Performance Standards

10. BA-NY's confirmation and rejection notice standards are the longest in the country.

The following excerpt from page 16 of BA-NY's July 12, 1999 compliance filing in the Carrier-to-Carrier proceeding provides the standards that BA-NY is required to meet for Firm Order Confirmations ("FOCs"):

Performance Standard: OR-1 Order Confirmation Timeliness		
95% On Time According to schedule below:		
Resale:	UNE:	Interconnection Trunks:
<b>Electronically Submitted Orders:</b> <i>POTS/Pre-Qualified Complex:</i> <ul style="list-style-type: none"> <li>Flow-Through Orders: 2 Hours</li> <li>Orders with &lt; 10 Lines: 24 Hours</li> <li>Orders with ≥ 10 Lines: 72 Hours</li> </ul> <i>Complex POTS Services (ISDN) (requiring loop qualification)</i> <ul style="list-style-type: none"> <li>Orders with &lt; 10 Lines: 72 Hours</li> <li>Orders with ≥ 10 Lines: 72 Hours</li> </ul> <i>Special Services:</i> <ul style="list-style-type: none"> <li>Orders with &lt; 10 Lines: 48 Hours</li> <li>Orders with ≥ 10 Lines: 72 Hours</li> </ul> (Also includes orders requiring facility verification as specified in the interval appendix.) <b>Faxed/Mailed Orders:</b> Not available for Resale	<b>Electronically Submitted Orders:</b> <i>POTS/Pre-Qualified Complex:</i> <ul style="list-style-type: none"> <li>Flow-Through Orders: 2 Hours</li> <li>Orders with &lt; 10 Lines: 24 Hours</li> <li>Orders with ≥ 10 Lines: 72 Hours</li> </ul> <i>Complex POTS: Two Wire ISDN (requiring loop qualification)</i> <ul style="list-style-type: none"> <li>Orders with &lt; 10 Lines: 72 Hours</li> <li>Orders with ≥ 10 Lines: 72 Hours</li> </ul> <i>Special Services:</i> <ul style="list-style-type: none"> <li>Orders with &lt; 10 Lines: 48 Hours</li> <li>Orders with ≥ 10 Lines: 72 Hours</li> </ul> (Also includes orders requiring facility verification as specified in the interval appendix.) <b>Faxed/Mailed Orders:</b> Add 24 Hours to intervals above. Not available for UNE POTS	<b>Electronically Submitted Orders:</b> Firm Order Confirmation: <ul style="list-style-type: none"> <li>≤ 192 Trunks: 10 Business Days</li> <li>&gt; 192 Trunks: Negotiated Process</li> </ul> Design Layout Record <ul style="list-style-type: none"> <li>≤ 192 Trunks: 10 Business Days</li> <li>&gt; 192 Trunks: Negotiated Process</li> </ul> <b>Faxed/Mailed Orders:</b> Add 24 Hours to intervals above

11. In fact, the standards to which BA-NY is subject are much longer in most instances than the intervals the Commission expressed concerned about in BellSouth's Section 271 application for Louisiana. See, e.g., In re Application of BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, InterLATA Services in Louisiana, CC Docket No. 98-121, Memorandum Opinion and Order, 13 F.C.C.R. 20599, ¶ 122 (1998) (hereinafter "LA II Order") (finding that an average time of 18

hours to return FOCs for electronically submitted residential resale orders was deficient). BA-NY must meet a two hour standard for orders designed to flow through, but other orders submitted electronically have very long intervals.

12. Most other RBOCs provide 50 or more loops in 48 hours or less. The California Public Utilities Commission has approved confirmation and rejection intervals that are shorter all around than those to which BA-NY must conform. For example:

Average FOC Notice Interval:

- Fully electronic - Avg 20 min
- Electronic/manual - Avg 6 hours
- Manual/manual - Avg 12 hours

Average Reject Notice Interval:

- Fully electronic - Avg 20 min
- Electronic/manual - Avg 5 hours
- Manual/manual - Avg 10 hours

Interconnection Trunk Intervals:

- New - Avg 7 days
- Augments - Avg 4 days

See California Public Utilities Commission, Rulemaking 97-10-016 & Investigation 97-10-017, Decision (Aug. 5, 1999) (OSS performance monitoring dockets).

13. BA-NY has claimed during the Carrier-to-Carrier proceedings that it needs additional time to check on the availability of facilities, but other ILECs seem to be able to perform this function in less time. Moreover, the availability of facilities is obviously not an excuse with respect to rejections. The confirmation is the first time the CLEC can tell its customer when its order will be delivered. In addition, prompt receipt of rejections enables CLECs to correct their own errors and pursue clarification of rejections where CLECs cannot discern a business rule



violation. BA-NY's own representatives do not wait as long as CLECs must wait to find out when a service will be delivered or to know if an order is not being accepted. As the market becomes more competitive, consumers will not be content to wait for days before they know when to expect service. Customers will not tolerate long delays while CLECs try to get rejected orders through the ILEC's ordering system. Some rejections require inquiries of help desks that can add additional days of delay to what could already be a three to four day rejection interval, depending on the number of lines requested and how the order was sent.

14. The long manual intervals are problematic, because MCI WorldCom is finding that many orders for UNE-P that it expected to flow through are falling to manual. Some of the reasons for falling to manual are invisible to MCI WorldCom, such as the existence of a pending order on the same account by BA-NY or another CLEC, or the customer having term contracts or types of blocking. As a result, orders for which MCI WorldCom is expecting a confirmation in two hours are falling to manual with a 24 hour interval for on-time performance. While BA-NY has recently committed to flow through for these types of orders, this change has yet to be implemented. Further, BA-NY frequently does not meet the 95% on-time standard for manual processing because many orders designed to flow-through are falling to manual and taxing BA-NY's Telecommunications Industry Service Ordering Center's resources.

15. BA-NY's final trunk blocking standard in New York is another low standard that provides little comfort to CLECs. Remedies in the Performance Assurance Plan would not be triggered unless BA-NY has exceeded 3% blocking for two consecutive months. Moreover, blocking should be measured for both common trunks (which CLECs rely on more than BA) and

dedicated CLEC trunks on a parity basis with trunks of similar design standards used only by BA-NY. The percentage of any trunk blocking in a given month, not the same trunk blocking in a consecutive month, should be the basis for determining parity.

#### **IV. Completion Intervals**

16. MCI WorldCom and other CLECs have had difficulties in the Carrier-to-Carrier proceeding in convincing BA-NY to measure completion notices properly. Much improvement has been made, but CLEC notice of provisioning completions still takes too long. Hopefully, recent improvements in Service Order Processor availability will improve on this interval and bring it closer to the 1 hour standard in Texas, the 20 minute standard in California for Pacific Bell, or the 15 minute interval recommended by the Pennsylvania Administrative Law Judges on August 6.

17. BA-NY only recently has proposed a new notice of when an order has been completed in its service order processor. MCI WorldCom is concerned that this provisioning completion has not been reported yet, let alone validated by NYPSC staff. Considering the importance of this notice to CLECs in determining the point at which they are responsible for the customer's care and can begin billing, this is a key metric that needs to be reviewed to see that it is being reported properly.

18. BA-NY has proposed no solution for missing completion notices. BA-NY's frequent failure to provide such notices has been a significant problem for MCI WorldCom in its UNE-P market entry in New York State. MCI WorldCom does not know yet whether the addition of provisioning completion notices will cause an improvement with respect to the issue of missing

completion notices because of errors (post completion discrepancies) in completing in BA-NY's billing system (CRIS). But missing notices can skew performance reporting for this metric. The NYPSC did not require BA-NY to adopt the LCUG formula for measuring the actual completion interval based on when the CLEC receives the completion notice. Yet the LCUG formula will drive down the completion notice time and promote reliable issuance of the completion notice. BA-NY should use the receipt of the completion notice in measuring CLEC intervals for average completed and missed appointment metrics. Measurement of these intervals to receipt of the notice, which is when the CLEC knows the order is complete, has been recommended by numerous regulators, including this Commission. See In re Performance Measurements and Reporting Requirements for Operations Support Systems, Interconnection, and Operator Services and Directory Assistance, CC Docket No. 98-56, Notice of Proposed Rulemaking, 13 F.C.C.R. 12817, ¶ 64 (1998) (tentatively concluding that completion notice intervals must be measured "by subtracting the date and time that [the ILEC] completed the work from the date and time a valid completion notice leaves its OSS interface"); LA II Order, ¶¶ 129-130; In re Application of BellSouth Corp. et al. Pursuant to Section 271 of the Communications Act of 1934, as Amended, to Provide In-region, InterLATA Services in South Carolina, CC Docket No. 97-208, Memorandum Opinion and Order, 13 F.C.C.R. 539, ¶ 139 (1997); In re Joint Petition of Next Link Pennsylvania, Inc., et al., Docket No. P-00991643, Recommended Decision 43 (Pa. Pub. Util. Comm'n Aug. 6, 1999) (recommending that BA "should measure the order completed when BA-PA has notified the CLEC of the completion."); In re Ameritech Michigan's Submission On Performance Measures, Reporting and Benchmarks Pursuant to the Oct. 2, 1998, Order in Case

No. U-11654, Case No. U-11830 (Mich. Pub. Serv. Comm'n May 27, 1999) ("The Commission finds that for measuring the average completion interval and percent due dates not met, an order is not complete until notification is sent to the CLEC that installation has occurred. As the Commission noted in the October 2, 1998 order in Case No. U-11654, the consequences of slow notification can be significant. Notification, in most instances, should be nearly immediate, as it is with the company's own installations.").

#### **V. Aggregation of Products**

19. Many of the metrics reported by BA-NY combine types of products that should be disaggregated to provide accurate reporting. For example, BA-NY has not provided a separate metric for collocation augment intervals, which should be shorter than entirely new collocation installations (especially for augments involving cabling only). By aggregating products having different production features, BA-NY may be able to mask discrimination as to a product that should be provided more quickly than those with which it is grouped for reporting purposes. Further disaggregation is still under discussion in the New York collaborative. BA-NY only in recent weeks has provided some of the DSL, UNE-P, loop and Specials disaggregation that CLECs have requested. Still being considered is disaggregation by collocation types others than physical and virtual. BA-NY may be more likely to discriminate against the less expensive cageless collocations that CLECs might prefer, and this discrimination would be lost in aggregating the new with either physical or virtual collocations. Moreover, BA-NY does not now disaggregate by all the types of UNEs available to CLECs. While CLECs are not ordering all these types of UNEs currently, MCI WorldCom hopes that the FCC and the NYPSC will

require such unbundling by type of UNE individually or in new combinations as orders increase.

Such disaggregation is required to detect any discrimination in providing these elements that may be used in unique ways to compete with BA-NY. Different intervals for providing each type of UNE would also necessitate unbundling of the metrics to accurately monitor timely provisioning.

## **VI. Change Management**

20. BA-NY has yet to implement many of the change control metrics adopted in the Carrier-to-Carrier proceedings of the New York Public Service Commission, even though change management was a particular problem area found by KPMG. In fact, change management merited its own special remedy plan to ensure proper notice, documentation, validation testing, and problem correction for new software releases. Change management metrics that BA-NY has yet to report on include PO-5-01, "Average Notice of Interface Outage"; PO-6, "Software Validation"; and PO-7, "Software Problem Resolution Timeliness." For the change control reporting that BA-NY has provided, it has not met the 95% on-time standard most of the last several months for CLECs in the aggregate.

## **VII. Hot Cut Metrics**

21. BA-NY has unilaterally tried to change the hot cut metrics in its September 24, 1999 remedy plan proposal. Hot cuts that take customers out of service through early cuts, late translations, or Local Number Portability ("LNP") errors have been a particularly troubling problem for CLECs. Problems with BA-NY's hot cuts have curtailed entry for MCI WorldCom with respect to customers requiring UNE loops with LNP. BA-NY's proposed changes to the

metric must be scrutinized, the final metric validated, and the standards proposed improved. A 3% trouble report rate is totally unacceptable for customer-affecting problems during the cutover, and the bar for on-time performance should be raised to 95%. This is another issue still pending before the NYPSC.

### **VIII. Trunk Resizing**

22. A metric measuring BA-NY's timely response to trunk resizing requests still has not been resolved through the Carrier-to-Carrier proceeding. Such a metric is particularly important to MCI WorldCom and other CLECs who need to add customers with large numbers of lines. Without timely trunk resizing, such customers will experience line blockage and degraded service upon switching to a CLEC.

### **IX. Database Accuracy and Timeliness**

23. BA-NY has yet to provide any database accuracy and timeliness metrics. Where CLECs do not control the accuracy of information input into customer- and competition-impacting databases (e.g., for resale customers or for CLEC data that BA-NY does not flow through electronically), the accuracy of BA-NY's update of NXX, E911, DA/DL and other databases is critical. Customers also expect their information to be placed into directory assistance and E911 databases promptly after switching carriers. While BA-NY will be looking at some E911 and DA/DL rekeying accuracy in its Order Accuracy metric, MCI WorldCom would like to see a metric that takes a broader look at such accuracy than through the sampling of 400 orders from the vast number of orders taken by BA-NY's service centers each month. Moreover, timeliness of updates is not even covered by a sampling metric. MCI WorldCom is

concerned that BA-NY will not have a clear incentive to provide parity service in this vital area until it institutes such reporting.

#### **X. Help Desk Response Times**

24. Although BA-NY provides reporting on the time it takes its CLEC help desk to answer the telephone under metric PO-3, "Contact Center Availability," this reporting does not provide any information as to how long it takes to get back to CLECs with an answer. The NYPSC stated in its February decision that CLECs can measure this interval themselves. In light of the fact that this has been a problem area in the past, whether BA-NY has met these standards should be a part of its regular monthly reporting. In fact, BA-NY's help desk performance in responding to CLECs has improved considerably between KPMG's initial testing and the retesting for its final report. Nevertheless, the speed at which CLECs receive responses to their questions about rejections, system outages, and other customer-affecting issues has been a problem for some years in the Bell Atlantic region. This problem could easily revive after Section 271 approval if BA-NY fails to keep its centers adequately staffed and trained. Since BA-NY has agreed to implement a standard for this issue, it should at least be held to the standard recommend by KPMG in its August 19, 1999 final report (90% of calls answered in 24 hours; 100% of calls answered in 48 hours).

25. Without such a metric, response intervals could easily go back to the 6-10 day range initially found by KPMG. Moreover, having someone answer the telephone in 30 seconds is not the end of BA-NY's responsibilities; it is also important that BA-NY provide answers to

questions, particularly those relating to severe, order-stopping problems, within a reasonable amount of time.

### **XI. Access Performance and Reporting**

26. In addition to the changes to performance reporting for local competition discussed above, BA-NY must also be required to report monthly on the switched and special access service quality it provides to interexchange carriers, as compared to its long distance services affiliate(s). For the past two years, throughout the Bell Atlantic North region, MCI WorldCom has experienced extremely poor service for provisioning of DS3s and the DS1s and DS0s that ride on them when ordered pursuant to BA-NY's interstate access tariffs. These deficiencies directly impact MCI WorldCom's ability to provide long distance services. These access provisioning problems also have serious potential implications for BA-NY's compliance with the Telecommunications Act, insofar as they indicate extremely poor treatment of interexchange carriers who will be BA-NY's competitors once it is granted interLATA authority.

27. MCI WorldCom has tracked metrics including the percentage of orders on which a FOC is received beyond the 72 hours agreed upon by the parties, and the average length of time until the FOC is received; the actual date of installation versus the date requested by MCI WorldCom, and the date of installation versus the date provided by BA in its FOC. On a region-wide basis, performance has been consistently poor. For example, in July 1999, nearly 60% of FOCs were delivered more than 72 hours after order placement; more than 70% of access circuits were delivered after MCI WorldCom's requested due date; and about 40% of these circuits were delivered after the date promised by BA in its FOC. Rates in August 1999 were very similar.



Statistics for New York alone are equally poor. In September, 38% of FOCs for DS0 orders, 50% of FOCs for DS3 orders, and a tremendous 82% of FOCs for DS1 orders were received more than three business days after order. In the same period, the average interval requested by MCI WorldCom for DS0 orders was 8.3 days, with BA-NY promising an average of 4.4 days but in fact delivering after an average of 13.1; for DS1s, MCI WorldCom requested on average 8.6 days, BA-NY promised 9.2, and delivered in 20.9; and for DS3s, MCI WorldCom requested 17.1, BA-NY promised 13.2 and delivered in 26.6. These numbers demonstrate that BA is neither meeting carrier expectations nor its own stated commitments for delivery.

28. In March 1999, MCI WorldCom raised its concerns about access service informally with this Commission but has continued to try to work with BA-NY to resolve the problem without Commission intervention. On several occasions, BA-NY has promised corrective action, only to fall short on its commitments. In any event, performance has not improved.

29. In a September 29, 1999 executive meeting between the carriers, BA-NY again promised MCI WorldCom that it will improve its access performance. While MCI WorldCom is continuing to work with BA-NY on this issue, the long history of poor performance in providing this vital input is critical for the Commission to consider as it contemplates BA-NY's Section 271 application.

30. Despite these performance concerns, BA-NY has proposed only limited access reporting for its retail affiliates in relation to its Section 272 obligations. This reporting suffers from glaring deficiencies, in that it is not subject to standards or self-executing remedies and does not provide any information as to the service provided to BA-NY's potential long distance

competitors. Also, BA-NY's proposed reporting does not cover the service it provides to any interexchange carriers whose services it contracts to resell in order to compete against other long distance competitors. Moreover, the access reporting should be expanded to include disaggregation for all reports by DS0, DS1, and DS3 and above so that BA-NY will not be able to average out discriminatory service provided with respect to access services that most impact particular competitors. Specific performance metrics that BA-NY should be required to report on include:

Installation

- Average FOC Receipt Interval, in addition to the percent confirmed within established parameters
- Average Installation Interval
- Mean Time to Receive Design Layout Record

Maintenance

- Troubles per 100 Circuits (%)
- Repeat Trouble Report Rate (%)
- Troubles within 30 days of Install and Other Order Activity (%) (Some ILECs refer to this as Failure After Install)

Network Performance

- Network blockage (% of calls blocked)

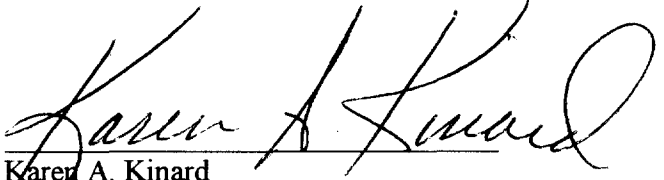
31. Access reporting by BA-NY is necessary so that BA-NY may be held to standards and so that self-executing remedies may be developed. Standards and self-executing remedies with respect to access will help to protect competitors from BA-NY's motives and ability to thwart competition through poor access service quality. Indeed, focusing remedies exclusively on service to local competitors may increase BA-NY's incentives to disadvantage long distance competitors.

### **XIII. Conclusion**

32. Although BA-NY has made much progress in reporting appropriately on its performance to CLECs, BA-NY has yet to agree to report adequately on all metrics that are competitively significant, including metrics relating to access services. BA-NY should revise its performance metrics as discussed above so that regulators and competitors will be able to monitor sufficiently any discriminatory provision of service.

33. This concludes my declaration.

I declare under penalty of perjury that the foregoing is true and correct. Executed on  
October 19, 1999.

  
Karen A. Kinard

E

**FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the matter of )  
)  
Application by New York Telephone Company )  
(d/b/a Bell Atlantic-New York), Bell Atlantic )  
Communications, Inc., NYNEX Long Distance ) CC Docket No. 99-295  
Company, and Bell Atlantic Global Networks, Inc., )  
for Authorization to Provide In-Region, )  
InterLATA Services in New York )

**JOINT DECLARATION  
OF JOHN G. DONOGHUE AND RONALD J. MCMURTRIE  
ON BEHALF OF MCI WORLDCOM, INC.**

Based on our personal knowledge and on information learned in the course of our duties, we, John G. Donoghue and Ronald J. McMurtrie, declare as follows:

1. My name is John G. Donoghue. I am Senior Vice President of Marketing and Advertising for MCI WorldCom. In that position, I am responsible for the overall marketing strategy for all of MCI WorldCom's consumer- and small business-related products, including local and long distance services, MCI WorldCom's integrated service offering, MCI One, and "unbranded" products like 1-800-COLLECT and 10-10-321. I also oversee all advertising for MCI WorldCom. I have worked for MCI (now MCI WorldCom) in a variety of sales and marketing positions throughout the company since graduating from George Washington University with a degree in economics and international relations.

2. My name is Ronald J. McMurtrie. I am Vice President, Business Product Marketing, for MCI WorldCom. I am primarily responsible for MCI WorldCom's overall business marketing efforts, specifically focusing on the integration of communications services including local and long-distance voice service, data, Internet, toll-free calling, e-mail,

messaging, conferencing, wireless, network management and personal business services for large, mid-size and small businesses. I hold a B.S. in Managerial Economics from the University of California at Davis and have been employed with MCI (now MCI WorldCom) since 1987, in a variety of positions involved with the development and marketing of business products.

3. The purpose of this declaration is to explain why local service is critical to MCI WorldCom's business plan, where MCI WorldCom's local business stands today, and how the remaining BA-NY deficiencies in OSS and a few other critical areas harm our current business and impede its further development.

4. A strong local presence is critical to MCI WorldCom's business success. Business and residential customers alike are seeking fully integrated communications services; a single contact for sales and service; and, of course, the opportunity to benefit from more and innovative products and to save on their telephone bill. To compete successfully, MCI WorldCom must be a fully integrated telecommunications provider, able to fulfill all of its customers' telecommunications needs, from local to long-distance, from toll-free service to Internet access, and everything in between. Offering a package of services, including local, is critical to retaining the business of MCI WorldCom's existing customers and to building on that customer base. Unless MCI WorldCom can offer the full package of services, it risks losing both business and residential customers to competitors.

5. MCI WorldCom has devoted substantial resources and effort to entering the local market in New York for both business and residential customers.<sup>1/</sup> MCI WorldCom

---

<sup>1/</sup> This investment demonstrates MCI WorldCom's intention to build a large local service residential customer-base in New York, as this is the only way for the company to recoup its development costs.

began its local residential service in New York in 1997 through resale, an offering that has been largely eclipsed by platform offerings. Nonetheless, it continues to provide about \*\* \*\* residential lines through resale. MCI WorldCom also resells about \*\* \*\* business lines, although the bulk of its current business offerings are facilities-based.

6. MCI WorldCom has worked extensively to develop its own network facilities, which at present serve business customers but in the future may support residential and small business local offerings in some or all locations. MCI WorldCom has provided almost \*\* \*\* local business loops to \*\* \*\* customers in New York, using a combination of loops leased from BA-NY and its own facilities. MCI WorldCom also has physical collocations at \*\* \*\* central offices, and virtual collocations at \*\* \*\* central offices. Statewide, MCI WorldCom has \*\* \*\* local switches, \*\* \*\* of which are in the New York city metropolitan area.

7. The UNE platform, the combination of all unbundled elements, offers MCI WorldCom greater flexibility to offer innovative products to consumers than resale and permits faster and more pervasive market entry than a pure facilities-based offering. In New York, the unbundled elements of this combination are offered at wholesale prices that have made it economical to market a UNE-platform offering, so MCI WorldCom has used this method to offer residential service in New York, beginning with a limited offering in December 1998 and making service available throughout BA territory statewide beginning in February 1999.<sup>2/</sup> MCI WorldCom's experience with UNE-platform based service demonstrates just how eager customers in New York are for competition. Since entering the market with its UNE-platform

---

<sup>2/</sup> Restrictions on the use of the UNE-platform for business service have precluded its widespread use in that market, although MCI WorldCom would welcome this as an additional service delivery method.



based offering, MCI WorldCom has sold over \*\* \*\* residential lines and provisioned \*\* \*\* residential lines using this method. And customers are clamoring for more -- over \*\* \*\* residential customers have called MCI WorldCom to request its local service, unsolicited and without any advertising.<sup>3/</sup>

8. Competition from CLECs such as MCI WorldCom is bringing savings and new choices to consumers. Individual savings vary with usage and customer location, but MCI WorldCom local residential customers who subscribe to a flat rate plan are guaranteed to save 5% on local line fees, usage and features, and local customers can save up to 18% over Bell Atlantic. In total, those New Yorkers who have switched to MCI WorldCom for local residential service have saved \*\* \*\* so far in 1999.

9. Moreover, \*\* \*\* of new residential customers have chosen MCI WorldCom as their carrier for both local and long distance services, increasing their convenience and savings. Customers who choose MCI WorldCom to carry their regional toll as well as interstate long distance receive the same low rates for both, minimizing confusion. In addition to the local savings reported above, they also receive access to the lowest MCI WorldCom long distance rates. This can amount to a 20% additional long distance rate savings with "Everyday Plus," featuring day rates of \$.07/minute and evening-night rates of \$.05/minute. And beyond these rate savings, bundled customers receive other discounts, at present amounting to \$5 per month, or \$60 per year.

10. Despite the benefits that customers have begun to realize as a result of MCI WorldCom's initial foray into local service in New York, however, the full promise of

---

<sup>3/</sup> \*\* \*\*

competition embodied in the 1996 Act is not yet secure. Although other important issues should not be ignored, four particularly critical roadblocks impede MCI WorldCom's ability to sustain competition in true commercial conditions.

11. Change Management. As explained in the joint declaration of Sherry Lichtenberg and John Sivori on behalf of MCI WorldCom ("Lichtenberg/Sivori Decl.") at ¶¶ 125-141, issues remain regarding change management, the procedures BA-NY must follow when making changes and repairs to its OSS. Problems with change management effect MCI WorldCom's ability to compete, at times bringing MCI WorldCom sales, service and order processing to a screeching halt. Such failures harm MCI WorldCom's reputation for excellent service, a precious asset that MCI WorldCom has worked hard to develop in long distance and is working to extend to local service.

12. BA-NY has yet to show that it will consistently offer CLECs the timely and adequate notice and stable documentation necessary to avert outages and costly delays. In addition, BA-NY must consult with CLECs about the timing of new releases and of the planned outages to implement them to avoid anticompetitive effects of change management resulting from differences in the ways that BA-NY and its CLEC competitors do business. For example, the weekend timing of recent outages in EDI and GUI systems magnified their impact on MCI WorldCom's residential service business, which at present relies on outbound telemarketing and concentrates its calling on weekends, when consumers are at home. Those customers do not know or care that it is BA-NY's change management issues that have impaired MCI WorldCom's ability to quickly process new orders, provide status updates on existing orders, and resolve troubles with existing customers' service; they see only that MCI WorldCom has been

unable to fulfill their needs. As a result, the only way to preserve MCI WorldCom's reputation and ability to compete is to eliminate these change management problems.

13. Order Flow-Through. BA-NY must continue to improve its order flow-through. For local residential competition to be truly viable, high volumes of orders must "flow through" automated systems without manual intervention. The failure to flow through directly effects the timeliness and quality of service to end users. BA-NY's current "improved" flow is simply not good enough to sustain competition. Indeed, BA-NY has complained about receiving \*\* \*\* orders per day from MCI WorldCom, but that volume could at times \*\* \*\* when MCI WorldCom ramps up and begins advertising. The problem is BA-NY's continued reliance on manual processing for an unacceptably high percentage of orders. Here again, problems that are traceable to BA-NY will nonetheless harm MCI WorldCom's reputation with customers, making them more likely to return to BA-NY, which they will perceive to have superior service.

14. Pre-Order. Equally important to the ability to place orders efficiently is the ability to access basic customer information in advance of an order. Electronic access to pre-order functions has been slow in arriving, impeded by BA-NY's poor documentation and changes to its back office systems. See Lichtenberg/Sivori Decl. at ¶¶ 83-96. This delay has itself delayed the development of sustainable levels of competition.

15. Accurate and efficient pre-order functionality is important to obtaining and retaining customers. All customers have better things to do with their time than to be on the phone for an unnecessarily long time with a telephone company sales representative. Even relatively short delays contribute to customer frustration, increasing the likelihood that the customer will either abandon the order, or will develop a bad first impression of MCI

WorldCom's service, making them more likely to abandon that service in the future. BA-NY should improve query times, especially for parsed CSRs, so that CLECs including MCI WorldCom can offer equal service to its customers.

16. A viable application-to-application interface for pre-ordering is also important to a CLEC's ability to compete because to support commercial volumes of orders, MCI WorldCom must eliminate the need for slow and error-prone manual re-entry of information by integrating the pre-order and order functions with one another and with its back-end systems and databases. The combination of a lack of adequate pre-order EDI and the continuing problems with order flow-through so far have deterred sustainable competition in New York. MCI WorldCom hopes to \*\* \*\*.

17. Loop Provisioning. Despite all of its investment in network facilities, MCI WorldCom's fiber reaches only a relatively small number of buildings, concentrated primarily in the highest density areas of New York City. Although MCI WorldCom continues to install its own facilities, it is not practically possible or economically feasible for it to duplicate in the short term the breadth of coverage that BA-NY has developed over the last century. Even where MCI WorldCom wants to run fiber, building owners may not permit it, having little or no interest in permitting multiple vendors to run duplicative fiber through their conduits, even assuming that the facility lends itself to multiple wiring. Thus, for the foreseeable future, MCI WorldCom's local business service will be dependent to some degree on leasing Bell Atlantic's last-mile facilities.

18. Unfortunately, MCI WorldCom has concerns regarding Bell Atlantic's provisioning of stand-alone unbundled loops. Access to these loops will be critical to the

company as it offers advanced services via DSL technology to all classes of customers. MCI WorldCom at present relies on a very proactive oversight program, including daily telephone calls to review all installs and cutovers scheduled for that day, in an effort to ensure the success of its use of unbundled loops for small business customers. This method requires so much effort that it is difficult to extend it to the larger customer base MCI WorldCom is seeking to build; yet it cannot abandon it in light of the problems it continues to experience, many of which could cause services outages if not caught prior to the actual cutover or installation.

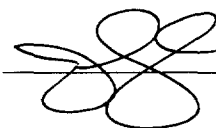
19. Providing reliable local business service is critical to MCI WorldCom, because the majority of its local service customers are also customers of its long distance services, and many also subscribe to data services. Customers want the convenience of dealing with a single telecom provider for all their services, and businesses with a large geographic reach particularly want to be able to deal with a single provider across the country. What is at stake in New York, then, is not simply local business at a few isolated locations. Businesses grow and add capacity. MCI WorldCom needs to provide quality local service to every customer so that it can win that customer's additional business -- be it added capacity at a single location, capacity at new offices in the state, or ultimately, national accounts. A service installation mishap or simply a disappointed expectation endangers all business for that client -- local, long distance, data, and other services. With so much riding on each installation, MCI WorldCom needs confidence that it can rely on BA-NY to provide consistent, timely, quality service.

20. Until BA-NY demonstrates a proficiency with loop provisioning that lends itself to automated order and provisioning processes, it will not be cost effective for MCI

WorldCom to devote its resources to a mass market offering using BA-NY's loops in combination with other MCI WorldCom network elements.

21. This concludes this Joint Declaration on behalf of MCI WorldCom.

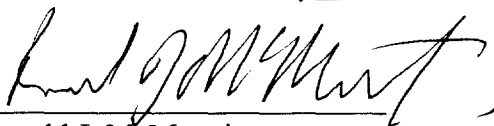
I declare, under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct to the best of my knowledge and belief.  
Executed on October 18, 1999.

A handwritten signature in black ink, consisting of several loops and a horizontal stroke, positioned above a horizontal line.

John G. Donoghue

I declare, under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct to the best of my knowledge and belief.

Executed on October 18, 1999.

A handwritten signature in cursive script, appearing to read "Ronald J. McMurtrie", written over a horizontal line.

Ronald J. McMurtrie